

## **News Release**

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External Affairs Office Phone: 973-724-7243 Fax: 973-724-6582 Web: <a href="http://www.pica.army.mil">http://www.pica.army.mil</a>

IMMEDIATE RELEASE

**Contact: Picatinny Public Affairs Office** 

publicaffairs@pica.army.mil

## Army awards second-source small arms contract

PICATINNY ARSENAL, N.J. – The U. S. Army Field Support Command (AFSC), Rock Island, Ill., in support of the Army Program Executive Officer for Ammunition and the Project Manager, Maneuver Ammunition Systems (PM-MAS), has awarded a five-year contract to General Dynamics Ordnance and Tactical Systems, (GDOTS), St. Petersburg, Fla., as the second source prime contractor for small caliber ammunition.

The contract award to GDOTS is for the delivery of 300 million cartridges in various types and configurations conforming to U.S. technical data packages and military specifications.

Through this contract, the Army has the ability to procure up to 500 million cartridges annually.

The contract represents execution of the second step of a four-step strategy developed by PM-MAS for acquiring small caliber ammunition as a result of the Global War on Terrorism and a significant increase in requirements that was briefed to industry beginning in May 2004.

In early fiscal year 2005, the Army completed step 1 of its strategy when it awarded a contract for 1.2 billion cartridges to Alliant Techsystems, the primary U.S. producer of small caliber ammunition and the operating contractor at Lake City Army Ammunition Plant (LCAAP)...

In addition to this award, the Army also is increasing total plant capacity at Lake City Army Ammunition Plant (LCAAP) to 1.5 billion cartridges.

In the very near term, the Army anticipates executing step 3 of this strategy, an action that could mean an award to ATK LCAAP of up to 300 million cartridges.

The fourth step of the Army strategy is the ability to surge production, when needed, up to an additional 200 million cartridges.

This second source contract award constitutes step 2 of the strategy. Through this contract, the Army has the ability to procure quantities up to 500 million cartridges annually.

Execution of Steps 1, 2, and 3 will give the Army a flexible means to procure up to 1.8 billion selected small caliber cartridges in fiscal year 2005.